

the only standard. The times in which Germany would routinely change the decisions of the courts [during the Nazi era] are over, thank God" (Reuters, 6/1/00).

I find that argument very interesting since the United States has a very independent judiciary branch, yet we return children in 90% of all international abduction cases. And, our return rate of German children, specifically, is equally high. Even according to the German Justice Ministry's own figures, from 1995 to 1999, there were 116 cases of German parents demanding children back from the United States. Of those cases, the U.S. courts refused to return the children in only four cases. During those same five-years, there were 165 known cases in which a parent living in the United States wanted his or her children returned from Germany. Yet, in 33 of those cases, German courts declined to return the children (AP Worldstream, 6/2/00).

Mr. President, I am also concerned about Germany's offer to create a "working group" with the United States given the result of a similar promise Germany made to France. French President Jacques Chirac, who has characterized Germany as applying "the law of the jungle" in abduction cases (The London Evening Standard, 6/1/00), repeatedly asked Germany to address the difficulty his country is having in getting French children returned. In response, Chancellor Schroeder agreed to create a "working group" between the two nations to reach some resolution. While this working group was created a year ago, results have yet to come in on its effectiveness. Given France's experience, it is crucial that we hold Chancellor Schroeder to his word and see to it that his words are not just empty promises made in an attempt to improve a tarnished image in the international community.

Assistant Secretary of State for consular affairs, Mary Ryan will be in Germany this weekend where, according to the Washington Post, "she will be raising this specific issue with every person she meets in the German government." I am encouraged to see that our State Department has indicated that it is outraged by Germany's action—perhaps now, they will take these kinds of cases seriously and take some type of significant action against Germany. Never-the-less, I urge her and our State Department and President Clinton to not take Germany's broken promises lightly. We must insist that the Germans reverse these restrictions on visitation, otherwise there is absolutely no reason to set up the commission.

Mr. President, we cannot tolerate lip service from our allies. We must hold the German government's feet to the fire. No excuses should be accepted by the parents of these children, nor by this Senate, nor by this Congress, nor

by the American people. This must be a priority.

PREScription DRUG AMENDMENT OF SENATOR ROBB

Mr. REED. Mr. President, I rise today to express my disappointment with the outcome of the vote that occurred last evening here in the Senate. I am referring to the vote on Senator ROBB's amendment concerning a Medicare benefit for prescription drugs.

Last night, we had an opportunity to give millions of elderly and disabled Americans something they desperately require, a universal prescription drug benefit. Yet, this measure was defeated, mostly along party lines, by a vote of 44-53. Our nation's seniors deserve better.

The need for a prescription drug benefit under Medicare has grown each and every year. Advances in medical science have revolutionized the practice of medicine. And the proliferation of pharmaceuticals has radically altered the way acute illness and chronic disease are treated and managed.

These remarkable advances, however, have not come without a cost. Since 1980, prescription drug expenditures have grown at double digit rates and prescription drugs constitute the largest out-of-pocket cost for seniors. For millions of seniors, many of whom are living on a fixed income and do not have a drug benefit as part of their health insurance coverage, access to these new medicines is beyond reach.

Even more alarming, it is estimated that 38 percent of seniors pay \$1,000 or more for prescription drugs annually, while 3 in 5 Medicare beneficiaries lack a dependable source of drug coverage. This lack of reliable drug coverage for today's seniors is reminiscent of the lack of hospital coverage for the elderly prior to the creation of Medicare. Back in 1963, an estimated 56 percent of seniors lacked hospital insurance coverage. Today, after all our investments in health care and prevention, 53 percent of seniors still lack a prescription drug benefit.

The need for a Medicare prescription drug benefit is a top concern for the elderly and disabled in my home state of Rhode Island. Many seniors continue to be squeezed by declines in retiree health insurance coverage, increasing Medigap premiums and the capitation of annual prescription drug benefits at \$500 or \$1000 under Medicare managed care plans. Mr. President, seniors in my state are frustrated and burdened both financially and emotionally by the lack of a reliable prescription drug benefit.

While the need for a prescription drug benefit is clear and the desire on the part of some members of Congress is there, action on Medicare prescription drug legislation has been slow. The Senate Finance Committee has

held a series of hearings on the subject of Medicare prescription drugs, however, the committee to date has been unable to produce a bill.

In May, I joined Senator DASCHLE and several of my Democratic colleagues, in introducing S. 2541, the Medicare Expansion of Needed Drugs Act. This legislation seeks to provide millions of elderly and disabled Americans with an adequate, reliable and affordable source of prescription drug coverage.

The MEND Act embodies the principles that I believe are necessary for an adequate prescription drug benefit—it is voluntary, accessible to all seniors, affordable, provides a reliable benefit and is consistent with broader Medicare reform.

Last evening, the Senate had a real and possibly its only opportunity to enact a prescription drug benefit when Senator ROBB offered an amendment during the consideration of the fiscal year 2001 Labor, Health and Human Services, and Education appropriations bill that would have provided a universal Medicare prescription drug benefit to our nation's seniors. While the proposal differs slightly from the MEND Act, it embraced the principles that I view as necessary for a good benefit. Regrettably, this crucial amendment was defeated.

I sincerely hope that the stated desire of many of my colleagues to create an adequate and affordable Medicare prescription drug benefit will become a reality this year. During this time of strong economic prosperity, we should all feel compelled to seize this opportunity to strengthen and enhance Medicare for the new millennium.

HATE CRIMES AMENDMENT

Mr. GRAMS. Mr. President, as hate-crimes legislation was recently debated and voted on by the United States Senate, I would like to briefly explain my vote on this issue. I believe that all victims of crime, and most certainly victims of violent crime, are deserving of special status. After due process has been afforded and guilt determined, perpetrators of crimes should be punished speedily for the peace of the community and to bring some measure of resolution for the victim. However, creating different classifications of victims, and rendering punishment based upon such classifications threatens the notion of "Equal Justice Under Law," the principle that adorns the United States Supreme Court building and should suffice our entire legal system.

Violence itself, whether motivated by hate, revenge, greed, lust, envy, or some other evil motivation, threatens the peace of our communities and our citizens' sense of security. The Kennedy amendment would include minor crimes against property within the definition of hate crimes, but would not

have included such heinous acts as the Oklahoma City federal building bombing, or the school shooting at Columbine High School, both of which left lasting, painful memories for the local communities in Oklahoma and Colorado, and even the Nation as a whole.

Rather than focusing on the particular motivation of the criminal, Congress and the states should provide law enforcement officials the resources necessary to fully prosecute all crimes. The diligent enforcement of existing laws will serve as an effective deterrent against criminal acts motivated by bigotry and hate, or any other distasteful compulsion. A more comprehensive strategy than what is embodied in the Kennedy amendment is warranted in light of the fact that in 1998 there were 16,914 murders committed in the United States (an average of 46 every day), and of the 16,914, only thirteen were deemed to be hate crimes.

I supported the Hatch amendment, which studies how extensive the hate crimes problem is and whether these heinous crimes are being fairly and aggressively prosecuted in the same manner as other similar crimes. I also welcome the Justice Department technical and financial assistance to states which need help in pursuing and identifying hate crimes. This is a far better role for the federal government than moving to federalize all state actions against hate crimes.

The Kennedy amendment also raised concerns by experts about constitutionality. Ultimately, it threatened to create more problems in the criminal justice system than it purported to solve, and I consequently voted "no" on the amendment and yes on the more reasonable Hatch amendment. I pledge to my constituents that I will support aggressive state prosecution of hate crimes, and I will continue to work to maintain safe communities, including actively supporting legislation that furthers that end.

INTERNET TAX MORATORIUM AND EQUITY ACT

Mr. BREAUX. Mr. President, I am pleased to join my colleague, Senator DORGAN, in introducing legislation designated to address the issue of Internet sales taxation.

As a consumer, I know first-hand how popular, simple and easy it is to buy items over the Internet. In fact, the Internet saved me at Christmas when I bought last-minute gifts for my wife, four children and our two little granddaughters.

But, as a member of both the Senate Finance and Commerce committees, I also know Congress has an obligation to examine how these same, tax-free Internet sales can financially harm businesses and state governments.

Senator DORGAN's bill balances the concerns of state and local govern-

ments with the importance of maintaining easy access to Internet services. It allows state and localities to enter into an interstate compact for the purpose of simplifying their sales tax systems for remote sales. Once 20 states have joined the compact, Congress can disapprove of their efforts. If Congress does not act, those states that have joined the compact and simplified their sales tax systems, will be authorized to collect sales tax on the purchases their citizens make over the Internet.

Our proposal, recognizing that collecting taxes must not be overly burdensome for online retailers, also provides a collection fee for all Internet retailers who collect these taxes. It ensures Internet purchases are not singled out for special tax treatment at the expense of neighborhood businesses, and state and local governments. This restores equality, a key aspect of any good tax system, without placing an unfair burden on anyone. I believe that this is a fair and equitable bill that takes reasonable steps to address the concerns of both online retailers and state and local governments.

We all agree Internet access should not be taxed, and that states and localities should not be allowed to impose discriminatory taxes on the Internet. In fact, Senator DORGAN's bill extends the moratorium on these types of sales for another four years.

But, I ask, is it fair to levy sales taxes on a person who buys a book from his local bookstore, but not his neighbor who buys that same book over the Internet?

I do not think it is fair. It isn't fair to residents who must pay the local sales tax because they don't own a computer. It isn't fair to local retailers collecting the tax who must compete with Internet retailers who don't. And, it isn't fair to the states and their local governments that are losing money they need to fight crime and fires, and to give their children a quality education.

In Louisiana, sales taxes make up 33 percent of all revenues. Economists estimate that Louisiana could lose up to \$172 million in state revenues by 2002 because Internet sales are not taxed. Other states are confronted with similar difficulties. When faced with these facts, it's no wonder two-thirds of Americans support Internet sales taxes.

The sales tax is not a new tax. It has been collected by states from their citizens for more than 100 years. It should be collected on all sales, regardless of whether they occur on Main Street or the information superhighway. I urge my colleagues to cosponsor this important piece of legislation.

Mr. CLELAND. Mr. President, I rise today in support of S. 2775. From the

beginning of the debate on the Internet Tax Moratorium Act, I have fought for the sovereignty of state and local elected officials and a level playing field for on-line and off-line retailers. This bipartisan bill accomplishes both of these goals by allowing the states to work together in an Interstate Sales and Use Tax Compact to simplify and streamline the existing sales tax system in to a blended rate that will enable remote on-line and off-line sellers to collect and remit sales taxes without an undue burden. While states work toward this objective, the current tax moratorium will be extended four more years.

In addition to providing greater equity in the tax treatment of both Internet-based and Main Street businesses, this legislation also provides means for on-line retailers to pay their fair share in supporting the communities in which their employees and customers live. Local sales tax revenue contributes to the infrastructure and emergency services of these communities. Also of importance is the aid these funds provide to local education. If the high-tech community is truly looking to expand the domestic pool of eligible employees, they should be lauding this legislative approach because of the support it will provide the local, public school systems. Sales tax revenue will help educate the future programmer, software developer, or information architect for the virtual world of tomorrow.

As a former state official, I understand the important role state and local officials play in establishing public policy. Although Internet sales represent a small portion of overall consumer sales today, Net sales are increasing every day. Without a level playing field between on-line and off-line retailers, the forty-five states and the District of Columbia that collect sales tax could be crippled by the budgetary impact.

The Internet offers a more convenient means of purchasing goods. No longer do consumers need to fight traffic, search for a parking space, and deal with sometimes unhelpful sales people in order to purchase an item. This legislation would further ease on-line purchases by removing the confusing and often misunderstood use tax remission policies of states. The consumer would be able to take care of any tax questions in one transaction.

Some of my colleagues claim that applying existing sales taxes to the Internet will destroy this powerful news, information and commerce medium. I, on the other hand, do not see any signs of a slowing of the Net. It is growing so quickly that we are running out of Internet addresses. If anything, enacting this legislation now will enable new "e-tailers" to adjust their business design to adapt to this policy. In addition, this fear completely ignores the